

# Orissa : Paradise for Private Players

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When Naveen Patnaik left the post of Steel Minister in NDA government in 2000 and became the Chief Minister of Orissa then AES of US and DFID of UK government were the major players in Orissa's economy.

Orissa as a second state after Andhra Pradesh went for privatization of power sector under reform proposals and all the contracts went to AES of America. Suddenly meter bills of private consumers shot up. DFID became the philosopher and guide of this government. Due to DFID nearly ten thousand posts of government have been abolished under 'administrative reform'. This state had total loan of 24 thousand crores of rupees in 2001 which became 32,000 crores in 2004 and it would reach 72,000 crores in another ten years. On the other hand this government under the guidance of DFID passed New Industrial Policy in September, 2004 having provision of giving tax relaxation of nearly one thousand crores of rupees in the form of entry tax, sales tax and other relaxations for 10-15 years for every ten thousand crores of FDI in the state. This government relaxed 4 crores of tax to Coca Cola Company last year.

The Navin Patnaik government has recently passed Corporate farming bill 2006. BHP Billiton of Australia/UK has already applied for one lakh hectare of land in Koraput district for bio-plantation. Monsanto is interested for Bolangir district. Water privatization bill 2003 for giving distribution of water rights of towns and cities to private companies has also been passed. The world has experienced the Bechtel's role in Cochabamba in Bolivia, Vivendi in Delhi and selling of Seonath river in Chhatisgarh. The government is seriously thinking about, to demarcate, on the line of Western Australia concept of the 'State Agreement Acts', "mining land" in revenue records to bypass "consultation" with Gram-sabha under the Panchayat Extension to Scheduled Areas Act (PESA), 1996 and also to keep such areas in forest out of the Scheduled Tribe (Recognition of Land Right) Bill-2005 what was discussed in the recently held Mining Summit of international mining corporates organized by Federation of Indian Mineral Industries (FIMI) held in Bhubaneswar, Orissa in February, 2006.

Orissa has the highest percentage of India's total deposits of chromite, bauxite, graphite, Manganese ore, and dolomite; fourth in case of coal and fifth in case of iron ore deposits. This government has entered into signing of 46 MOUs with different MNCs expecting of an investment of two lakh and fifty thousand crores of FDI. This government has invited Hindalco (Birla group), Alcan (Canada), Vedanta (UK), BHP Billiton (UK), Rio Tinto (UK) etc. with an investment of nearly 53,000 crores of rupees for extraction of total deposit of 7330 lakh tons of bauxite from the state as per industrial report. This would last, looking to their extraction capacity per year, for coming 75 years only. Similarly, for extraction of 35,670 lakh tons of iron ore this government has invited Tisco, BHP Billiton (UK), Vedanta/ Sterlite, Posco (South Korea), Rio Tinto (UK), Bhushan, Jindal, Mittal, Essar companies to finish the entire deposits. This would last another 45 years to finish it up. AES of US and Reliance

including Vedanta have started power projects using coal for a business of selling of surplus power to the state government.

All these projects would displace nearly 2.5 lakh families or 10,00,000 people. Against these forceful, displacements when resistance is increasing the response of this government is highly repressive. In Kalinga Nagar 13 tribals gave life because of their opposition to the Tata project, 1159 people are facing threat of arrest any time. On 9th May 2005 while opposing Maharashtra Simlex Company, Kalinga Nagar people faced police lathicharge and 26 tribals mostly women were sent to jail. Kucheipadar, a small place in Kashipur block of Rayagada district came under state terror in 2005 for their opposition to UAIL (Utkal Alumina International Limited—a joint venture of Alcan of Canada and Hindalco of India). 52 people were arrested in a year. CRPF, Indian Reserve Battalion, Orissa State Armed Police were used to repress people. More recently in Lanjigada of Kalahandi district 34 tribals were arrested in April 2006 because they opposed forceful occupation of their land by Vedanta Alumina Company of UK. They were demanding either land or job against their land. When local residents opposed Posco Company of South Korea to do its survey work in Paradeep area of Jagatsinghpur district the Patnaik police came into picture and picked up 9 people in April 2006.

Another 118 people mostly tribals of Sundergada district were arrested on 24th March, 2006 when local people, nearly 4000 villagers, came on a rally opposing one Nepaz (Adhunik Metallic) sponge iron factory in Kuarmunda block. Police immediately overpowered and resorted to lathi-charge, chased away most of the agitators and arrested nearly 118 people including boys, girls and women. In Mayurbhanj, Keonjhar and Sundergarh around 130 sponge iron factories are functioning, of which 50 are illegal. In 2005, 64 sponge iron plants got registered and 18 more are in the pipeline waiting for no objection certificates (NOCs). Many are operating even without NOCs. Clearance procedures and Public hearings are unheard of here. In Sambalpur and Jharsuguda districts of west Orissa, people are opposing sponge iron projects because these plants contaminate water bodies and air.

In December, 2005 while local people of Dhenkanal district opposing construction work of Bhusan Steel Company (of depleted Uranium shell fame) police resorted to lathicharge and 26 people were arrested from the spot. Last year on May 11, 2005, in Lower Sukhtel Dam project of Bolangir district, villagers faced police violence and 70 people were picked up, beaten up and tortured in police station because they were opposing laying of a foundation stone of the dam project. Water would be supplied to a bauxite mining company from the reservoir. Similar situation happened to tribals residing in Nuapada Sanctuary when they refused forest development evacuation without any resettlement plan. 18 tribals were arrested last year in a face to face situation with forest officials.

People's oppositions to such big projects are not in any way against constitution nor are tribals using violence to press their demands. These struggles are not meant to take state power into their hands nor do they have any political party affiliation. All these struggles are for survival and livelihood. As per the government report out of 46 MOUs, works have been started in 10 projects. Out of it, it is known that Vedanta is facing violation of forest laws and UAIL in Kashipur has no clearances of

environment, mining as well as forest from the central government but both are going for construction. Tata in Kalinga Nagar did not have the environment clearances when it started its land acquisition and for which firing took place. During last two years the repression by state has increased manifold, even constitutional rights have been ignored in tribal areas in Orissa. Because of the struggles tribals, dalits and peasants are facing ruthlessness of this government.

Recently the state government declared a state level resettlement policy after Kalinga Nagar firing. As per provision the 'consultation', not 'consent' of gramsabha is binding but it is silent about the amendment of Orissa Gram panchayat Act in the same light. It speaks about direct negotiation by land losers with the company but again with certain bureaucratic procedures. It has no provision of land against land or at least job against land for land losers; no provision for landless families and for old oustees. The provisions in the policy never deny that the police force would be used in any case. The Kalinga Nagar, Maikanch firing and many more may happen in future.

'All MNCs want a particular type of government—repressive, promoting ethnic conflict, weak rule of law, endemic corruption, poor labour legislation, low environmental standards, and no restriction in the name of human-rights violations'—David C Korton wrote in his famous book "*When Corporations Rule the World*". Naveen Patnaik in these six years of his tenure as chief minister has adopted the single window policy for quick clearances of big projects involving 500 crores of investment relaxation in environment laws within parameters of the state, has made labour court and Orissa state pollution control board totally dysfunctional. For all practical purposes the State Human Rights Commission has become a mute spectator.

In the name of collecting revenue of ten crores this government has distributed licenses of liquor shops mostly to its party members. The liquor tragedy happened more recently in April 2006 claiming 47 lives in Ganjam district and in these two years have claimed nearly one hundred lives. In neither case of liquor tragedy, except suspension of some lower officials and, transfer of a few higher bosses nothing exemplary action has yet been taken. But Naveen Patnaik promised in his second term as CM to give corruption free and good governance to the state. Custodial deaths and torture by police have become rampant at a time when the chief minister has kept home department in his hand.

Naveen's government has no interest in solving the problems of the state. In Lanjigada even today one landlord occupies the land of an entire village or two. This is the situation in Kalahandi district where land settlement properly could not take place. In Kalinga Nagar after 1928 no land patta has been given to its original land owners in independent Orissa for which most of the personal land is shown in land record as government land. In Kashipur area of Rayagada district starvation death occurs specifically in rainy period due to shortage of food. This government is also not thinking about it why farmers in irrigated area of west Orissa district are opting for suicide. In this hapless state 36% people were BPL in 1993-94 and it increased to 41.4% in 1999-2000 and then to 44.6 % in 2004-05. It is a growing concern that among 22% tribals 73% are below poverty line. In Orissa 54-56% tribal land has been occupied by non-tribals during the last 25-30 years. Nearly 30% dalits have sold out their land, have become agricultural labourers or marginal farmers due to frequent

failure of crops, drought, private finance, distress sale according to last census report. Every year distress sales of paddy in western Orissa, and forest produces in tribal areas, with 'knowledge' of the government, have made life wretched of these people. In 2001-2002 financial year 51% and 63% dalit and tribal students went drop out. Orissa's total literacy is much below the national average.

More recently this BJP-BJD government has banned seven CPI (Maoist) organizations in the state namely Daman Pratirodh Manch, Revolutionary Democratic Front etc. under Criminal Amendment Act 1908. In these two years in the name of curbing Naxal violence the state government has deployed 2 battalions of Indian Reserve Battallion and CRPF with cooperation from central government and thinking of deploying one more battalion for industrial security at Kalinga Nagar.

Nobody knows how many tribals are languishing in Orissa jails and how many tribal villages are suffering from fear of persecution and police high-handedness.

Here all opposition parties neither have taken a stand against the entry of corporates nor have criticized the undeclared ban imposed on all mass organizations. The Kalinga Nagar incident created some furore which lasted for a few months only. The 'elected' government is behaving very inhumanly, undemocratically and unconstitutionally toward its own people to silence the voice of the voiceless in favour of multinationals and their local allies.

Not for nothing overseas investors are showering praises on the Orissa government. Maybe, Orissa is waiting for a mass upsurge because it has become most sought after paradise for private players in less than a decade under the BJP-BJD dispensation. ~~████~~

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